Amount incurred on grant of D.A. Instalments

2883. DR. MOHD. HASHIM KIDWAI: Will the Minister of FINANCE be pleased to state:

(a) what is the number of instalments of dearness allowance granted to the Central Government employees during the last two years and the current financial year;

(b) what is the total amount of money involved in these instalments; and

(c) what is the number of Government employees who have received these instalments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) The following instalments of dearness allowance were granted to the Central Government employees during the last years and the current financial year:—

Date from which these instalments fell due	Date on which orders regarding payment of these instalments were issued by the Government
1-9-1982	13-4-1983
1-12-1982	
1-3-1983	22-9-1983
1-5-1983	
1-7-1983	
1-8-1983	21-5-1984
1-10-1983	
1-11-1983	
1-1-1984	
1-2-1984	15-9-1984
1-4-1984	
1-6-1984	
1-8-1984	19-1-1985
1-11-1984	
1-1-1985	30-4-1985
1-5-1985	2-9-1985

(b) The total amount of money involved in these instalments is Rs. 2,479.16 (in crores) during last 2 years and current year.

(c) An estimated 50 lakhs of Central Government employees have received these instalments.

Cash compensatory support on exports

2884 SHRI GULAM MOHI-UD-DIN SHAWL: Will the Minister of COMMERCE be pleased to state:

(a) what are the reasons for giving Cash Compensatory Support on exports;

(b) whether any decision in regard to the payment of CCS on long term basis was announced by him on the 10th August 1985; and

(c) if so, what steps have taken to implement the above decision?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN): (a) to (c) cash Compensatory Support is provided to compensate for various disadvantages faced by the exporters and as an instrument for promotion of exports. The Cash Compensatory Support scheme is presently valid upto 31st December, 1985. Government have taken steps for continuance of this scheme beyond this date.

Fraud detected in Syndicate Bank in Dharwar District of Karnataka

2885. SHRI M. MADDANNA: Will the Minister of FINANCE be pleased to state:

(a) whether any fraud amounting to about 49 lakhs of rupees drawn from Syndicate Bank on behalf of Hashi and Namdi Textile Mills at Naragund in Dharwar District of Karnataka has been detected;

(b) if so, when the fraud was detected by the Bank and what action has been taken to recover the money; and

(c) whether it is also a fact that the mills has been closed down and attempts being made to postpone the payments by taking shelter under 'sick' industries provision?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) Syndicate Bank has reported that around the end of 1984, it was noticed that the Company had indulged in discontinuing documentary bills supported by fake lorry receipts for accommodation purpose in collusion with the transport carriers who had issued lorry receipts without cover of goods. It is also alleged that some of the lorry receipts were forged. Bills amounting to over Rs. 40 lakhs have been returned unpaid and have not been reimbursed by the Company even after a lapse of considerable time. Out of these, 76 bills amounting to Rs. 35,35,974/- are backed by fake lorry receipts. Out of the balance, some more bills are suspected to be bogus bills.

In view of the above fradulent action, the Bank has frozen the credit facilities. The matter has also been handed over to CBI for investigation. On 3-7-85, the Bank had also sought for the compulsory winding up of the Company under Section 433(A) and (F) read with Section 434 of the Companies Act in the High Court of Karnataka for recovery of its dues. On the basis of an application filed by the Bank in September 1985, the High Court of Karnataka had passed orders for the appointment of Provisional Official Liquidator on 4-10-85 to take custody of all the assets of the Company. However, on 7-10-85, the Managing Director of the Company filed two applications in the Hon'ble High Court for recalling the order passed by it appointing the Provisional Liquidator on the ground, among others, that the Company has represented to the Government of Karnataka to take over the Unit by declaring the Company as a Relief Undertaking under the provisions of Karnataka Relief Undertaking Act, 1977. The Bank has reported that the Mill is closed since 16-2-1985 under lock out by the management.

Peerless General Finance and Investment Company

2886. SHRI SULTAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that some Members of Parliament have submitted to him a memorandum highlighting the state of affairs in the Peerless General Finance and Investment Company;

(b) if so, what are the contents thereof; and

(c) what is Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) Government have received memoranda and letters including some from Honourable Members of Parliament, concerning the state of affairs in the Peerless General Finance and Investment Company Limited. These mainly urge for nationalisation of the Company.

(c) The Government and Reserve Bank of India are seized of the activities of the Company. The State Government of West Bengal issued a notice to the Company in 1979 under the provisions of the rules framed by the State Government under the Prize Chits and Money Circulation Schemes (Banning) Act, 1978 to submit statements of particulars and winding up plans. The Company obtained a stay order from the Calcutta High Court in this regard. Government has already initiated necessary steps to expedite disposal of the Court cases.

Increase in prices of steel etc. for National Textile Corporation Programmes

2887. SHRI BIR BHADRA PRATAP SINGH: Will the Minister of TEXTILES be pleased to state:

(a) whether any principle has been followed to effect statutory increase in prices of steel and other materials in the price structure of fixed rate contracts awarded to various executing agencies for carrying out the modernisation programmes of the various units under the National Textile Corporation Limited or its subsidiaries;